GOVERNMENT OF INDIA
SMALL SCALE INDUSTRIES
LOK SABHA

STARRED QUESTION NO:316
ANSWERED ON:12.03.2003
SHARE OF UNORGANISED SMALL SCALE INDUSTRIES IN GDP
NAWAL KISHORE RAI;SUSHIL KUMAR INDORA

Will the Minister of SMALL SCALE INDUSTRIES be pleased to state:

(a) whether the contribution of unorganized industrial units of the small scale sector in GDP is estimated to be nearly 8%;

(b) if not, the assessment of the Government in this regard;

(c) whether the Government have got any assessment done to find out the per unit average capital investment in this sector;

(d) if so, the details thereof; and

(e) the steps being taken by the Government to provide more facilities to this sector?

Answer

MINISTER OF SMALL SCALE INDUSTRIES AND MINISTER OF DEVELOPMENT OF NORTH EASTERN REGION (P. THAKUR)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN THE REPLY TO PARTS (a) TO (e) IN RESPECT OF THE LOK SABHA STARRED QUESTION NO. 316 FOR REPLY ON 12TH MARCH, 2003

(a) & (b): The Small Scale Industries (SSIs) have their presence in both the organised/ registered and unorganised/ unregistered manufacturing sectors. On the basis of quick estimates of national income at constant (1993-94) prices for the year 2001-02 released by the Central Statistical Organisation, the contribution of SSI sector in GDP is estimated to be 6.67% in 2001-02, out of which the share of unorganised industrial-units of the SSI sector in GDP is estimated to be 3.69%.

(c) & (d): As per the data collected by the Small Industries Development Bank of India from State/ UT Governments, the estimated per unit investment in fixed capital in the SSI sector during 1999-00 was Rs. 2.26 lakhs. The same, adjusted for inflation, gives per unit capital investment of Rs. 2.45 lakhs for the year 2001-02.

(e): Taking into consideration, the higher potential for growth in the Small Scale Industries (SSI) sector in terms of output, employment and exports, the strategy for Tenth Plan is to strengthen the sector to enable it to remain competitive in market-led economy and generate additional jobs. For achieving these objectives, the SSI sector would be provided proper and timely inputs like:

1. Adequate credit/ loans from financial institutions/ banks.

2. Funds for technology upgradation and modernisation.

3. Adequate infrastructure facilities;

4. Modern testing facilities and quality certification laboratories;

5. Modern management practices and skill upgradation through advanced training facilities;

6. Marketing assistance.

7 Level playing field at par with the organised sector.